

nonprofit religious status, one-half as shall be directed by Communications and one-half as shall be directed by Church.

13. Notices. All notices required or permitted by this Agreement shall be in writing and shall be delivered by certified mail to the party to whom directed at the following addresses:

Friendly Bible Church  
Cathedral of Faith  
2315 Canoas Garden Road  
San Jose, California 95125  
Attn: Reverend Roy K. Foreman

The Religious Channel  
2315 Canoas Garden Road  
San Jose, California 95125  
Attn: Kurt Foreman

First Century Communications  
P.O. Box 4242  
Concord, California 94524  
Attn: Ronald C. Haus

First Century  
Broadcasting  
P.O. Box 4242  
Concord, California 94524  
Attn: Ronald C. Haus

The address of any party may be changed for the purposes of this paragraph 13 by notice given to all other parties to this Agreement in accordance with this paragraph 13.

14. Third Party Beneficiaries Except for the provision of subparagraph 6.a hereof for Church's guaranteeing indebtedness of TRC to Pacific Western Bank, no provision of this Agreement is intended to benefit any person, firm or corporation who is not a party to this agreement or to constitute any such party a third-party beneficiary hereof. Except for Pacific Western Bank, no person, firm or corporation who is not a party to this Agreement or the assignee or successor in interest of a party hereto shall have any right to enforce any provision hereof.

15. Assignment. Except as may be expressly provided herein, neither this Agreement nor any interest herein is assignable by any party hereto, except with the prior written

consent of each of the other parties to this Agreement. Any purported assignment of this Agreement or any interest herein by any party without such prior written consent shall be null and void and of no force or effect whatsoever.


16. Cooperation No party to this Agreement shall knowingly take any action which may impair such party's ability to perform any of its obligations hereunder. Each party shall execute all documents and take such action as shall be necessary or appropriate to carry out the objectives of this Agreement.

17. Attorneys' Fees. If any party to this Agreement should initiate legal action to interpret or enforce or to recover damages for breach of any provision of this agreement, the prevailing party or parties in such action shall be entitled to recover, in addition to such other relief as may be granted by the court therein, such reasonable attorneys' fees as shall have been incurred by such party in the prosecution or the defense of such action.


18. Entire Agreement This instrument contains the entire agreement of the parties with respect to the subject hereof. No covenant, condition or warranty not expressly set forth herein shall be binding upon the parties hereto. No amendment of this Agreement shall be binding unless set forth in a written amendment to this Agreement signed by all parties hereto.

EXECUTED as of the 15th day of August, 1990 at San Jose,  
California.

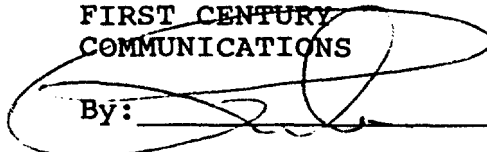
FRIENDLY BIBLE CHURCH

By:   
Title: President


THE RELIGIOUS CHANNEL, INC.

By:   
Title: Secretary

FIRST CENTURY  
COMMUNICATIONS

By:   
Title: President

FIRST CENTURY BROADCASTING

By:   
Title: President

**EXHIBIT 2**

ORIGINAL

GAMMON & GRANGE, P.C.

ROBERT JOHN BARLOW  
RICHARD T. BOWSER\*  
RICHARD M. CAMPANELLI  
A. WRAY FITCH III  
JAMES A. GAMMON†\*  
GEORGE R. GRANGE II\*  
LAUREN B. HOMER†\*  
NANCY OLIVER LESOURD\*  
PETER F. RATHBUN\*  
H. ROBERT SHOWERS\*  
MICHAEL J. WOODRUFF\*  
\*ADMITTED TO A BAR OTHER THAN VA  
† OF COUNSEL

LAW OFFICES  
SEVENTH FLOOR  
8280 GREENSBORO DRIVE  
MCLEAN, VA 22102-3807  
(703) 761-5000  
FACSIMILE: (703) 761-5023

WASHINGTON, DC OFFICE  
SUITE 300  
1925 K STREET, N.W.  
WASHINGTON, DC 20006-1115  
(202) 862-2000

March 30, 1992

Ms. Donna R. Searcy, Secretary  
Federal Communications Commission  
Mass Media Services  
P.O. Box 358180  
Pittsburgh, PA 15251-5180

-- FEDERAL EXPRESS --

Re: Ownership Report  
First Century Broadcasting, Inc.  
KFCB-TV, Concord, CA


Dear Ms. Searcy:

Attached with the requisite filing fee, is an ownership report  
for the above-referenced licensee.

Please direct any questions to the undersigned.

Respectfully submitted,

FIRST CENTURY BROADCASTING, INC.

By   
Richard M. Campanelli  
Its Attorney

[hck/60.searFCB]

Enclosure: Ownership Report

United States of America  
Federal Communications Commission  
Washington, D. C. 20554

### Ownership Report

**NOTE:** Before filling out this form, read attached instructions

Section 310(d) of the Communications Act of 1934 requires that consent of the Commission must be obtained prior to the assignment or transfer of control of a station license or construction permit. This form may not be used to report or request an assignment of license/permit or transfer of control (except to report an assignment of license/permit or transfer of control made pursuant to prior Commission consent).

1. All of the information furnished in this Report is accurate as of

March 27, 1992

(Date must comply with Section 73.3615(a), i.e., information must be current within 60 days of the filing of this report, when 1(a) below is checked.)

This report is filed pursuant to Instruction (check one)

1(a) ☐ Annual 1(b) ☐ Transfer of Control or Assignment of License 1(c) ☒ Other with application for license renewal.

for the following stations:

Call Letters	Location	Class of service
KFCB	Concord, CA	TV

2. Give the name of any corporation or other entity for whom a separate Report is filed due to its interest in the subject licensee (See Instruction 3):

First Century Communications, Inc.

3. Show the attributable interests in any other broadcast station of the respondent. Also, show any interest of the respondent, whether or not attributable, which is 5% or more of the ownership of any other broadcast station or any newspaper or CATV entity in the same market or with overlapping signals in the same broadcast service, as described in Sections 73.3555 and 76.501 of the Commission's Rules.

See Exhibit 1

### CERTIFICATION

I certify that I am President  
(Official title, see Instruction 1)  
of First Century Broadcasting, Inc.  
(Exact legal title or name of respondent)

that I have examined this Report, that to the best of my knowledge and belief, all statements in the Report are true, correct and complete.

(Date of certification must be within 60 days of the date shown in Item 1 and in no event prior to Item 1 date):

(Signature)

March 27, 1992  
(Date)

Telephone No. of respondent (include area code):

(510) 676-8969

Any person who willfully makes false statements on this report can be punished by fine or imprisonment. U.S. Code, Title 18, Section 1001.

Name and Post Office Address of respondent:

First Century Broadcasting, Inc.  
5101 Port Chicago Highway  
Concord, CA 94524

4. Name of entity, if other than licensee or permittee, for which report is filed (see Instruction 3):

5. Respondent is:

- ☐ Sole Proprietorship  
☒ For-profit corporation  
☐ Not-for-profit corporation  
☐ General Partnership  
☐ Limited Partnership  
☐ Other: \_\_\_\_\_

If a limited partnership, is certification statement included as in Instruction 4?

☐ Yes ☐ No

6. List all contracts and other instructions required to be filed by Section 73.3613 of the Commission's Rules and Regulations. (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject licensee or permittee shall respond.)

Description of contract or instrument	Name of person or organization with whom contract is made	Date of Execution	Date of Expiration
On File - No Change  An affiliation agreement dated 3/12/91 containing contracts for accounting and operational services, but which the licensee believes is not required to be reported under rule 73.3613, was voluntarily placed on file with the Commission on 7/11/91.	United Christian Broadcasting	3/12/91	

7. Capitalization (Only licensees, permittees, or a reporting entity with a majority interest in or that otherwise exercises de facto control over the subject licensee or permittee, shall respond.)

Class of Stock (preferred, common or other)	Voting or Non-voting	Number of Shares			
		Authorized	Issued and Outstanding	Treasury	Unissued
- First Century Broadcasting, Inc. (FCBI): Common Stock	Voting	1,000,000	1,000,000	-0-	-0-

Remarks concerning family relationships, attribution exemptions and certifications: (See Instructions 4, 5 and 6)

Ronn Haus and Constance Haus are husband and wife

8. List officers, directors, cognizable stockholders and partners. Use one column for each individual or entity. Attach additional pages, if necessary. See Instructions 4, 5, and 6.

Line (Read carefully - The numbered items below refer to line numbers in the following table.)

1. Name and residence of officer, director, cognizable stockholder or partner (if other than individual also show name, address and citizenship of natural person authorized to vote the stock). List officers first, then directors and, thereafter, remaining stockholders and partners.
2. Citizenship.
3. Office or directorship held.
4. Number of shares or nature of partnership interest.
5. Number of votes.
6. Percentage of votes.
7. Other existing attributable interests in any other broadcast station, including nature and size of such interest.
8. All other ownership interests of 5% or more (whether or not attributable), as well as any corporate officership or directorship, in broadcast, cable, or newspaper entities in the same market or with overlapping signals in the same broadcast service, as described in Sections 73.3555 and 76.501 of the Commission's Rules, including the nature and size of such interests and the position held.

1	(a) First Century Communications, Inc. 5101 Port Chicago Highway Concord, CA 94524	(b)	(c)
2	U.S.A.		
3	DNA		
4	Sole Owner		
5	1		
6	100%		
7	<u>See</u> Exhibit 1		
8	<u>See</u> Exhibit 1		

**FCC NOTICE TO INDIVIDUALS REQUIRED BY THE PRIVACY ACT  
AND THE PAPERWORK REDUCTION ACT**

The solicitation of personal information requested in this Report is authorized by the Communications Act of 1934, as amended. The principal purpose for which the information will be used is to assess compliance with the Commission's multiple ownership restrictions. The staff, consisting variously of attorneys and examiners, will use the information to determine such compliance. If all the information requested is not provided, processing may be delayed while a request is made to provide the missing information. Accordingly, every effort should be made to provide all necessary information. Your response is required to retain your authorization.



First Century Broadcasting, Inc.  
FCC Form 323  
Exhibit 1

OTHER BROADCAST INTERESTS

The officers and directors of First Century Broadcasting, Inc. ("FCBI") are Ronn Haus, President/Director; Theodore Terry, Vice-President/Director; Eugene Viglione, Secretary/Treasurer/Director; and Constance Haus, Director. They have the following broadcast interests:

-- First Century Broadcasting, Inc., licensee of KFCB(TV), Concord, California, is wholly owned by First Century Communications, Inc. ("FCCI"). The officers and directors of FCCI are: Ronn Haus, President/Director; Constance Haus, Director; Theodore Terry, Vice President/Director; Eugene Viglione, Secretary/Treasurer/Director; and David Copple, Director.

Approved by OMB  
3060-0440  
Expires 2/28/93

FEDERAL COMMUNICATIONS COMMISSION  
**FEE PROCESSING FORM**

FCC/MELLON MAR 31 1992

USE  
ONLY

04-01-92 8180605 004

Please read instructions on back of this form before completing it. Section I MUST be completed. If you are applying for concurrent actions which require you to list more than one Fee Type Code, you must also complete Section II. This form must accompany all payments. Only one Fee Processing Form may be submitted per application or filing. Please type or print legibly. All required blocks must be completed or application/filing will be returned without action.

**SECTION I**

APPLICANT NAME (Last, first, middle initial)

First Century Broadcasting, Inc.

MAILING ADDRESS (Line 1) (Maximum 35 characters - refer to Instruction (2) on reverse of form)  
c/o Gammon & Grange, PC

MAILING ADDRESS (Line 2) (If required) (Maximum 35 characters)

8280 Greensboro Drive, Seventh Floor

CITY

McLean

STATE OR COUNTRY (If foreign address)

VA

ZIP CODE

22102

CALL SIGN

KFCB-TV

OTHER FCC IDENTIFIER

Enter in Column (A) the correct Fee Type Code for the service you are applying for. Fee Type Codes may be found in FCC Fee Filing Guides. Enter in Column (B) the Fee Multiple, if applicable. Enter in Column (C) the result obtained from multiplying the value of the Fee Type Code in Column (A) by the number entered in Column (B), if any.

(A)

FEE TYPE CODE

M A T

(B)

FEE MULTIPLE  
(If required)

(C)

FEE DUE FOR FEE TYPE  
CODE IN COLUMN (A)

\$ 35.00

FOR FCC USE ONLY

**SECTION II**

— To be used only when you are requesting concurrent actions which result in a requirement to list more than one Fee Type Code.

(A)

FEE TYPE CODE

(B)

FEE MULTIPLE  
(If required)

(C)

FEE DUE FOR FEE TYPE  
CODE IN COLUMN (A)

FOR FCC USE ONLY

(2)

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\$	
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(3)

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\$	
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(4)

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\$	
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(5)

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\$	
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ADD ALL AMOUNTS SHOWN IN COLUMN C, LINES (1) THROUGH (5), AND ENTER THE TOTAL HERE. THIS AMOUNT SHOULD EQUAL YOUR ENCLOSED REMITTANCE.

TOTAL AMOUNT REMITTED  
WITH THIS APPLICATION  
OR FILING

\$ 35.00

FOR FCC USE ONLY

35.00

**EXHIBIT 3**

ORIGINAL

GAMMON & GRANGE

LAW OFFICES

SUITE 300

1925 K STREET, N.W.

WASHINGTON, D.C. 20006-1115

(202) 862-2000

RICHARD M. CAMPANELLI\*

A. WRAY FITCH III

GEORGE R. GRANGE II

NANCY OLIVER LESOURD

PETER F. RATHBUN\*

H. ROBERT SHOWERS\*

MICHAEL J. WOODRUFF\*

\*ADMITTED TO A BAR OTHER THAN DC

FACSIMILE:  
(202) 862-2023

OF COUNSEL  
JAMES A. GAMMON  
LAUREN B. HOMER

RECEIVED

JUL 11 1991

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

--Hand Deliver--

Ms. Donna R. Searcy, Secretary  
Federal Communication Commission  
1919 M Street, N.W.  
Washington, D.C. 20554

Re: KFCB (TV), Channel 42  
Concord, CA  
First Century Broadcasting, Inc.

Dear Ms. Searcy:

On behalf of First Century Broadcasting, Inc., licensee of Channel 42, KFCB (TV) Concord, CA, enclosed is a local network television affiliation agreement whereby it is affiliating with United Christian Broadcasting Network. This agreement does not need to be filed pursuant to the Commission's network agreement filing rule Section 73.3613(a). However, since the agreement also involves the provision of accounting and operational services on a contract basis by the network, this agreement is being filed out of abundance of caution in connection with the Commission's rules regarding management contracts.

If any questions arise in connection with this matter, please contact the undersigned.

Respectfully submitted,

FIRST CENTURY BROADCASTING, INC.

By

  
George R. Grange II  
It's Counsel

Enclosure: Network Television Affiliation Agreement

cc: Ronald C. Haus (For Public File)  
President, KFCB

RECEIVED

JUL 11 1991

**UNITED CHRISTIAN BROADCASTING NETWORK  
TELEVISION AFFILIATION AGREEMENT**

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Agreed to as of: September 1, 1991

Mr. Ronald C. Haus  
President  
First Century Broadcasting, Inc.  
Post Office Box 6498  
5101 Port Chicago Highway  
Concord, CA 94524

TELEVISION STATION: KFCB  
Channel 42.  
Concord, California

Gentlemen:

In order that your station may continue to serve the public interest, convenience and necessity, United Christian Broadcasting Network, incorporated as a religious corporation under the California Nonprofit Religious Corporation Law with the specific purpose of providing inspirational broadcast programming services and facilities (hereinafter "Network"), and your television broadcasting station KFCB, Channel 42, Concord, CA (hereinafter "Station"), jointly referred to as "the Parties," hereby mutually agree upon the following plan to affiliate Station with Network.

**1. NETWORK AFFILIATION.**

**1.1 Definitions.**

- 1.1.1 "Network Programs" shall mean any television program created for, produced by or originated by Network, as well as all other programs as Network makes available for broadcasting over its affiliate stations and shall include program and promotional material, commercials and public service announcements.
- 1.1.2 "Regularly Scheduled programs" shall mean Network programs which appear in the attached current UCBN Program Schedule (Attachment 1).
- 1.1.3 "Optional Programs" shall mean Network programs which are not Regularly Scheduled Programs.
- 1.1.4 "Prime Time" shall mean five (5) o'clock p.m. to eleven (11) o'clock p.m. Pacific Time.

- 1.2 Station's Broadcasting Rights. Station will be provided, for television broadcasting, the opportunity to use, on a nonexclusive basis, a variety of Network television programs, which are to be broadcast on a television network basis in the community to which Station is licensed by the Federal Communications Commission (FCC).
- 1.3 Station's Right of Preemption. Notwithstanding the foregoing, with respect to Network programs offered or already contracted for pursuant to this Affiliation Agreement, nothing contained herein shall be construed to prevent or hinder Station from:
  - 1.3.1 Rejecting or refusing Network Programs which Station reasonably believes to be unsatisfactory or unsuitable or contrary to the public interest; or
  - 1.3.2. Substituting a program, which in Station's opinion is of greater local or national importance; or
  - 1.3.3 Preempting Network Programs to provide local programming responsive to community needs.
- 1.4 Station's Right of First Refusal. Station shall have the right of first refusal good for 72 hours as against (a) any other television station located in the same community as Station, or (b) television program transmission service, including but not limited to community antennae television system, subscription television service, multi-point distribution systems, and satellite transmission, furnishing a television signal to the same community as Station, for the Network Programs referred to in paragraph 1.2 above.
- 1.5 Network Program Substitutions. Network may substitute one or more Optional Programs for any Regularly Scheduled Program, in which event Network shall offer such substituted program(s) to Station in accordance with the right of first refusal provisions of paragraph 1.4 herein.
- 1.6 Vertical Blanking Interval. Station's acceptance of Network's programs does not contemplate, without Station's prior approval, the incidental or regular use by Network of the Vertical Blanking Interval ("VBI") of Station's standard television signal for non-broadcast or ancillary transmissions or signals.
- 1.7 Non-Network Distribution of Special Programs. Network may make available to any other station or television

program transmission service, programs which Network may be legally required to make available other than through an affiliation agreement, or other special programs of overriding public importance, without triggering Station's right of first refusal described in paragraph 1.4 above.

2. STATION COMPENSATION. For the television air-time provided by Station for network Programs, Network will pay to Station, no later than twenty (20) days following the end of each calendar quarter until termination of this Agreement, the sum of Five Hundred Dollars (\$500). This amount may be offset by the cost of auxiliary services rendered from month to month by Network as provided herein. This sum takes into account the nonprofit character of both Network and Station and the mutual desire of the Parties to make Station an economically viable operation, and to cooperate in the provisions of the highest quality inspirational broadcasting programming and services.

3. STATION IDENTIFICATION.

- 3.1 Station Generated Identification. For purposes of identification of Station with Network Programs and until written notice to the contrary is given by Network, Station may superimpose on various Network Programs, where designated by Network, a single line of type, not to exceed 50 video lines in height and situated in the lower eighth raster of the video screen which single line shall include, and be limited to, Station call letters, channel number and community market and Network logo.

- 3.2 Network Generated Identification. During these times Network originates a signal being broadcast over two or more affiliate stations, a simultaneous station identification for all affiliate stations may be originated from Network's point of signal origination.

- 3.3 Content of Station Identification. Station identification may be made visually or aurally, and the content and regularity of such identifications shall conform to FCC requirements.

4. NETWORK PROVISIONS.

- 4.1 No Satellite Operations. Station will not be, or become, a satellite station of Network without prior written approval of the Parties and the prior approval of the FCC.

- 4.2 Regional Network. Network may enter into similar affiliation agreements with such other television broadcast stations licensed to communities other than Station's Community of License who share the common corporate, religious purposes as will enable the Network to establish a regional network and to provide common management and operating services hereinafter described.
- 4.3 Advertising Sales. Network may sell commercial availabilities during Network broadcasting over Station subject to the following provisions:
- 4.3.1 Definition. "Commercial availability" shall mean a period of time made available by Network during a Network Program for one or more Network commercial announcements which are not a part of the regular format of the Network Program.
- 4.3.2 Advertising Sales. Network may sell on a combined basis, commercial availabilities during Network Programming, and Network will credit Station with income from such sales as may be determined by multiplying the Station's current rate card rates for such advertising, a copy of which is attached hereto as Attachment 2, by a discount of not less than five percent to reflect the Network's discount "combo rates" and to cover Network's administrative and marketing costs.
- 4.3.3 Station's Advertising Sales. Notwithstanding the provision in paragraph 4.4.2 above, Station may sell for local advertising commercial availabilities during non-Prime Time Network Programs upon 60 days advanced notice to Network and upon the condition that Station make remittance to Network of 50% of the gross revenue received from such sale or sales.
- 4.3.4 Advertiser Purchasing From Single Affiliate. Network will allow advertisers to purchase advertising from one station affiliate in Network without purchasing from another Network affiliate station or without purchasing corresponding time from Network as a whole.
- 4.4 Local Programming. Network will cooperate with Station to the fullest extent possible to enable Station to continue to provide programming oriented toward its specific community of license. To this end, Network may either produce under the ultimate direction and



supervision of Station, programming which meets the needs of Station's Community of License, or assist, to the extent requested, Station in independently producing programming airing over Network or just over Station. The Station may at any time preempt Network Programming for the insertion of local or other programming, as specified in paragraph 1.2. above.

- 4.5 Music Licenses, and Performing Rights. Network shall endeavor to enter and maintain appropriate arrangements to clear at the source all music in the repertory of ASCAP, BMI, SESAC or other music licensing societies and contained in Network Programs furnished by Network to Station. To that extent all Network Programs offered to Station pursuant to this Agreement shall be furnished with all music performance rights necessary for broadcast included if the Station does not otherwise have such an arrangement.
- 4.6 Program Copyrights. All right and title in and to all Network programs shall remain vested in Network, including without limitation, all copyrights and intellectual property rights of a literary, artistic or musical nature, not in the public domain. Station will not permit Network programs to be used, recorded or broadcast by delayed transmission, for any other purpose than authorized by this Agreement for the Station's Network Program broadcasts or their promotion by the Station.
- 4.7 Telethon and Special Programs. Notwithstanding any other provision herein, Network may preempt regular Network Programs to conduct a Network telethon or broadcast special programs to promote Christian television broadcasting, and the donor revenues derived therefrom shall be allocated as provided hereinbelow in paragraph 6.6.2.
- 4.8 Program Delivery to Station. Where, in the opinion of Network, it is impractical or undesirable to furnish a program over interconnection facilities, including, but not limited to telephonic, microwave or satellite transmission, Network will deliver the program to the Station in the form of film or other recorded version, postage prepaid, in sufficient time for Station to broadcast the program at the time scheduled. Station agrees to comply with all Network instructions concerning the disposition to be made of each such recording or copy received by Station hereunder. Network reserves the right to discontinue, upon twenty-four (24) hours notice to Station, any arrangements with the Station with respect to any or all delayed broadcasts of television programs.

**5. STATION PROVISIONS.**

- 5.1 Station Controls Advertising Rates and Practices. Station shall determine: its own advertising standards, the price or range of prices on rate cards for the sale of single station advertising or program air time, whether or not to cease discounting advertising rates from the published rate card prices, whether to refuse to do business with a particular advertiser, how much time to allocate to advertising, its advertising standards and the extent to which it will retain the opportunity for local buys of advertising time. Nothing herein shall be construed to permit Network to control Station's non-network rates or to represent the Station in the sale of non-network time.
- 5.2 Amount of Network Programming. While the Network may make available Network Programming for most or all of a typical programming day, Station shall determine how much Network Programming to broadcast. Except for reasons set forth in Paragraph 1.3, Station shall broadcast Prime Time Network Programming without interruption or preemption.
- 5.3 Nonduplication of Network Programming. Station will not authorize any Network Programming to be recorded, duplicated, rebroadcast or otherwise transmitted or used for any purpose other than in a manner incidental to broadcasting by Station as provided herein without prior consent of Network. Notwithstanding the foregoing, Station will not be restricted in the exercise of its signal carriage and program exclusivity rights pursuant to any applicable rule and regulation of the FCC, with respect to Network Programs; provided, however, that any such exercise pursuant to FCC rules with respect to Network Programs shall not be deemed to constitute a license by Network. Network reserves the right to restrict such signal carriage with respect to Network programs in the event of a change in applicable law.
- 5.4 Station Control and Supervision. Station's board of directors, at its regular meetings shall continue to perform all necessary oversight and governance functions for Station, and thus shall:
- 5.4.1 Review and approve annual and quarterly budgets and regular financial statements for Station's operations and to verify conformity with the approved budget; review and approve any non-budgeted or unusual transactions; require and review an audited annual financial accounting of Station's relationship with Network.

- 5.4.2 Determine and review programming policies and practices as provided herein; monitor compliance with FCC engineering, programming and other obligations; and supervise the effectiveness and financial viability of Station's operation as an affiliate station of Network.
- 5.4.3 Make ultimate decisions concerning all Station policies, finances and operations of Station's facilities, including, but not limited to, Station's decision to: (1) reject any capital expenditure sought by Network as managing agent for Station or any annual budget which Station reasonably deems to be unsatisfactory or unsuitable or contrary to the public interest; (2) maintain complete, unhindered and ultimate authority over the policies and finances necessary to operate Station within the requirements of the Communications Act of 1934, as amended, and all applicable FCC Rules and Regulations.
- 5.4.4 Retain full authority to make final determinations in its sole discretion to hire or fire station employees and to approve or disapprove Network employees which may be based at Station's facilities.
- 5.4.5 Review and modify all quarterly Network programs and issues/ascertainment reports as described in paragraph 6.4.2. below and certify approval before it is filed in Station's public file.
- 5.5 Current Tax Exempt Status. Station will keep current its religious nonprofit corporate status, its federal and state tax exempt status, and will meet its annual FCC licensure and reporting requirements.
- 5.6 Code of Ethics. Station agrees to adhere to the applicable Code of Ethics of the National Religious Broadcasters, a copy of which is attached hereto as Attachment 4 and made a part hereof by this reference.

6. NETWORK AUXILIARY SERVICES.

- 6.1 Accounting and Operational Services. Network shall provide to Station, accounting, and operating services, generally described as follows: contribution receipting, accounting, engineering, production, traffic and broadcasting services, for the term of this Agreement, together with any renewals provided hereunder.

- 6.1.1 Payment for Services. Station will pay to Network for such auxiliary services the quarterly sum as specified in the Auxiliary Service Budget, Attachment 5, which budget shall be modified annually and mutually agreed to by the Partners.
- 6.2 Personnel and EEO Reports. Network will provide personnel for Network auxiliary services, including accounting, engineering, production and broadcasting; provided, however, that all Station and Network employees based at Station's facilities will be reported on Station's employment reports to meet FCC Equal Employment Opportunity (EEO) requirements. For such Network employees, Network agrees to fully cooperate with the Station in fully and faithfully adhering to the Station's model EEO program.
- 6.3 Remote Control and Signal Monitoring. If Network at any time operates Station by remote control, Network on behalf of Station will notify the FCC within three days of initial use of such remote location, unless responsible Station personnel may be contacted at the transmitter or studio site during hours of remote operation.
  - 6.3.1 Network will ensure that its remote control operator will have sufficient control (and operating parameter monitoring capacity) to allow technical operation of Station in compliance with the terms of Station authorization.
  - 6.3.2 Network agrees that any remote control system it utilizes will meet the following conditions, standards and specifications:
    - 6.3.2.1 Said system will be designed, installed and protected so that the transmitter can be activated or controlled only by the licensed transmitter operators authorized by Station as licensee; and
    - 6.3.2.2 Said system will be calibrated and tested as often as necessary to ensure proper operation; and
    - 6.3.2.3 Said system will be designed so that malfunctions in the circuits between the control point and transmitter will not cause the transmitter to be inadvertently activated or to change operating modes or output power; and

- 6.3.2.4 Use of said system will be discontinued within three hours after first detection of a malfunction resulting in an inaccurate transmitter measurement.
- 6.3.3 If Station is found operating beyond the terms of Station authorization and such malfunction cannot be corrected by remote control, Station personnel will be immediately notified so that remote operations may be immediately terminated, and attended operations resumed.
- 6.4 Reports. Network will provide the following reports and documents to the Station for approval and/or filing as may be appropriate:
  - 6.4.1 Budgets. Network will submit to Station for review and approval a proposed annual budget for auxiliary services by the end of the third quarter preceding each fiscal year. The initial twelve (12) month budget for auxiliary services is attached as Attachment 5.
  - 6.4.2 Quarterly Reports. Network, in cooperation with Station, will provide to Station's board of directors a draft quarterly programs and issues ascertainment report for Station's community of license for filing in Station's public file following board review and approval; said report must satisfy the purpose for which it is rendered in conformity to FCC Rules and Regulations.
  - 6.4.3 Financial Reports. Network shall provide to Station regular financial statements as provided herein.
  - 6.4.4 EEO Reports. Network shall provide to Station all information regarding Network employees located at Station facilities to enable Station to fulfill its FCC required EEO reporting requirements.
  - 6.4.5 Miscellaneous Reports. The Parties shall mutually cooperate with each other to provide any information which may be required of either party from time to time to meet any legal reporting requirement, whether required by local, state or federal authorities.
- 6.5 Donor Receipts. So long as Station maintains its tax exempt status, and so requests, Network shall provide to Station donors a duly authorized receipt for tax

deductible contributions in substantially the following form:

Thank you for your contribution to KFCB to further the ministry of Christian television broadcasting throughout the San Francisco Bay Area through the United Christian Broadcasting Network. Your gift is fully tax-deductible.

6.6 Donor Contributions. In addition to individual solicitations by various inspirational programmers included within the Network Programs, there shall also be periodic solicitations for contributions to the Network and occasional Network telethons. All contributions received by the Network shall be allocated by zip code whenever identifiable, and shall be credited to the Station on the following basis and paid quarterly with appropriate accounting:

6.6.1 If the contribution was received from within the Station's Grade B service area as identified on Attachment 3 or from its donor data base and there is not overlap with the Grade B contour of any other Network affiliate (see zip codes listed on Attachment 3.1, Station's Exclusive Zip Code Contribution Area), Station shall be credited with 30% of such contributions and Network shall retain 70%.

6.6.2 If the contribution was received from within the Station's Grade B service area as identified on Attachment 3 and there is overlap with the Grade B contour of another Network affiliate (see zip codes listed on Attachment 3.2, Station's Shared Zip Code Contribution Area), Station shall be credited with 20% of such contributions, the other affiliate shall also be credited with 20% and Network shall retain 60%.

6.6.3 If the contribution was received from outside Station's Grade B service area, no portion shall be allocated to Station.

6.6.4 During the term of this Agreement, Station will direct all contributors to send their contributions to Network and will remit all contributions received directly to the Network for accounting and donor receipt procedures.

6.7 Main Studio Location. Network will cooperate with Station to maintain the present capability of its studio to provide the option of independent programming if necessary.

**7. GENERAL PROVISIONS.**

7.1 Nonliability. Neither party hereto shall incur any liability hereunder because of Network's failure to deliver or the failure of Station to broadcast any or all programs due to failure of facilities, labor disputes, government regulations or causes beyond the control of the party so failing to deliver or to broadcast.

7.1.1 Such failure to broadcast, however, will reduce the nominal compensation paid by Network accordingly.

7.1.2 Network agrees to indemnify, defend and hold Station harmless against and from all claims, damages, liabilities, costs and expenses (including legal fees, provided Network has the option of either providing necessary legal services or agreeing with Station in the selection of such legal representation) reasonably incurred and arising out of the proper and authorized use by Station, under this Agreement, of any Network program or other material furnished by Network hereunder, provided that Station promptly notifies Network of any claim or litigation to which this indemnity shall apply, and that Station cooperates fully with Network in the defense or settlement of such claim or litigation.

7.1.3 Station agrees to indemnify, defend and hold Network harmless with respect to the broadcast of any material not furnished by the Network.

7.2 Enforceability. Any provision of this Agreement which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. It is expressly understood, however, that the Parties hereto intend each and every provision of this Agreement to be valid and enforceable and hereby knowingly waive all rights to object to any provision of this Agreement.

7.3 Term. This Agreement shall become effective beginning on September 1, 1990 at 3:00 A.M. (Pacific time) and ending on July 31, 1992 at 3:00 A.M. (Pacific time).

It shall then be renewed on the same terms and conditions for a further period of two years, and so on for successive further periods of two years each, unless and until either party hereto shall, at least two (2) months prior to the expiration of the then current term, give the other party written notice that it does not desire the Agreement renewed for a further period. Notwithstanding the foregoing, either party hereto may, upon 6 months advance written notice to the other party, terminate this Agreement, effective anytime thereafter.

- 7.4 Effect of Agreement and Applicable Law. This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their respective successors and assigns, and shall not be enforceable by or inure to the benefit of any third party. No party may assign any of its rights or obligations under this Agreement without the written consent of the other party. This Agreement shall be construed in accordance with and governed by the laws of the State of California then in effect.
- 7.5 Modification and Termination. This Agreement may only be modified or terminated by a writing signed by the Parties hereto, and no waiver hereunder shall be effective unless in a writing signed by the Parties.
- 7.6 Notices. Any notices required or permitted hereunder shall be in writing and shall be deemed to have been duly given on the date when delivered by hand; or when sent by facsimile, receipt confirmed; or when mailed by first class mail, certified mail, postage prepaid, to either Party at the following addresses, or at such other address as may be specified in writing by the party to whom notice is given:

To Network: United Christian Broadcasting Network  
2315 Canoas Garden Ave  
San Jose, California 95125  
Facsimile No.: (408) 723-1670

With Copy To: Gammon & Grange  
1925 K Street, N.W.  
Suite 300  
Washington, D.C. 20006-1115  
Facsimile No.: (202) 862-2023

To Station: First Century Broadcasting, Inc.  
Post Office Box 6498  
5101 Port Chicago Highway  
Concord, CA 94524  
Facsimile No.: (415) 676-3659



- 7.7 Cooperation. No party to this Agreement shall knowingly take any action which may impair such party's ability to perform any of its obligations hereunder. Each party shall execute all documents and take such action as shall be necessary or appropriate to carry out the objectives of this Agreement.
- 7.8 Attorneys' Fees. If any party to this Agreement should initiate legal action to interpret or enforce or to recover damages for breach of any provision of this agreement, the prevailing party or parties in such action shall be entitled to recover, in addition to such other relief as may be granted by the court therein, such reasonable attorneys' fees and costs as shall have been incurred by such party in the prosecution or the defense of such action.
- 7.9 Conciliation, Mediation or Arbitration. Prior to the commencement of any legal action, each party agrees to seek in good faith to conciliate, mediate or arbitrate the dispute, utilizing the services of qualified third parties, such as may be available through the Association of Christian Conciliation Services.
- 7.10 Network Designation. If at any time Network is determined to be a broadcast network under applicable FCC Rules and Regulations, and no waiver or exception therefrom is applicable, then this Agreement shall be modified to conform to said rules and regulations or, at the election of the Network, terminated.

\* \* \* \* \*

If, after your review, you find that the Agreement herein for Network affiliation, auxiliary operating services is satisfactory to you, please indicate your acceptance on the copy of this letter enclosed for that purpose and return that copy to us.

Very truly yours,

UNITED CHRISTIAN BROADCASTING NETWORK

By: 

Accepted this 12th day of March, 19 91

First Century Broadcasting, Inc.

By: 